

Message Text

UNCLASSIFIED

PAGE 01 NAPLES 01614 181625Z

ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15
NSC-05 PA-02 ICA-20 LAB-04 SIL-01 /086 W
-----032801 181632Z /44

P R 181023Z AUG 78

FM AMCONGEN NAPLES IT

TO SECSTATE WASHINGTON DC PRIORITY 6224

INFO RUFHOM /AMCON FLORENCE IT 111

RUFHOM /AMCONGEN GENOA IT 128

AMCONGEN MILAN IT

RUFHOM /AMCONGEN PALERMO IT 158

RUFHOM /AMEMB ROME IT 2589

RUFHOM /AMCON TRIESTE IT 56

RUFHOM /AMCON TURIN IT 56

UNCLAS NAPLES 1614

E.O. 11652: N/A

TAGS: EINV, EAIR, BGEN, EGEN, IT

SUBJECT: AERITALIA FLYS WITH BOEING - 767 CONTRACT SIGNED

1. THE AUGUST 15 "FERRAGOSTO" HOLIDAY WAS A HAPPY ONE FOR NAPLES -
BASED AERITALIA AS LENGTHY AND SOMETIMES DIFFICULT NEGOTIATIONS WITH
THE BOEING COMPANY CONCLUDED WITH A CONTRACT FOR AERITALIA PARTICI-
PATION IN THE PRODUCTION OF THE BOEING 767-200. PURSUANT TO THE AGRE-
EMENT SIGNED IN SEATTLE BY BOEING PRESIDENT THORNTON A. WILSON AND

PAGE 02 RUFRSGG6732 UNCLAS NAPLES 1614

AERITALIA VICE PRESIDENT RENATO BONIFACIO AERITALIA WILL PRODUCE
INTER ALIA VERTICAL AND HORIZONTAL STABILIZERS, THE WING FLAPS AND
SLATS, RUDDERS AND RADOME FOR THE 767. AERITALIA'S PARTICIPATION
IN THE PROGRAM REPRESENTS ABOUT 15 PERCENT OF THE TOTAL (A JAPANESE
CONSORTIUM FORMED BY MITSUBISHI, KAWASAKI AND FUJI IS ALSO INVOLVED).

2. WITH ESTIMATED SALES OF 1,000 PLANES BY 1990 AERITALIA'S SHARE
IS NOW CALCULATED AT 2.5 BILLION DOLLARS. AERITALIA'S NAPLES PLANT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NAPLES 01614 181625Z

(OTHER PLANTS IN TURIN AND MILAN) EMPLOYS OVER 4,000 PERSONS AND
PLANS TO ADD AN ADDITIONAL 1,000 WORKERS TO ITS PAYROLL, TRAINING
THEM AS NECESSARY, IN ORDER TO MEET THE BOEING PRODUCTION SCHEDULE
WHICH CALLS FOR DELIVERY OF FIRST PLANES TO UNITED AIRLINES
AND OTHER CUSTOMERS BY 1982. THE ITALIAN FIRM WILL ALSO BUILD A NEW
PLANT IN THE NAPLES AREA TO HANDLE THE INCREASED WORKLOAD LEVIED BY
THE 767 PROGRAM.

3. BOEING WILL SEND SIXTY OR SEVENTY U.S. TECHNICIANS AND THEIR FAMILIES TO NAPLES BY MID 1979 FOR TWO YEAR TOURS. THIS WILL BE A SIGNIFICANT INCREASE IN U.S. BUSINESS PRESENCE IN THE NAPLES AREA BUT ONE WITH A SUITABLY LOW PROFILE. AERITALIA FOR ITS PART WILL MAINTAIN 100 OR SO OF ITS TECHNICIANS AT BOEING FOR TRAINING ON THE 767. SOME AERITALIA ENGINEERS HAVE ALREADY RETURNED FROM THE

PAGE 03 RUFRSGG6732 UNCLAS NAPLES 1614

U.S. AND HAVE GAINED PROFESSIONAL EXPERIENCE ALONG WITH THEIR EXPOSURE TO U.S. LIFE AND CULTURE.

4. BEYOND THE 767 PROGRAM BOEING AND AERITALIA WILL COLLABORATE ON PRODUCTION OF THE SLIGHTLY LARGER THREE ENGINE 777 MID RANGE "NEXT GENERATION" AIRCRAFT. IN ADDITION THE ITALIAN FIRM MAINTAINS ITS CONTRACT WITH MCDONNELL DOUGLAS AND GENERAL DYNAMICS (ITSELF A SUB-CONTRACTOR FOR MCDONNELL DOUGLAS) FOR THE PRODUCTION OF FUSELAGE PANELS, VERTICAL STABILIZERS AND OTHER COMPONENTS OF THE DC-9 AND DC-10. UNDER A NEW CONTRACT AERITALIA WILL SUPPLY 300 AIRCRAFT FUSELAGE PANELS FOR THE MCDONNELL DOUGLAS DC 10-80.

5. COMMENT: THE BOEING CONTRACT IS IMPORTANT FOR AERITALIA AND SHOULD ENSURE PROFITABILITY AS WELL AS ENHANCE THE FIRM'S REPUTATION AS A STATE PARTICIPATION ENTERPRISE WHICH WORKS. AERITALIA IS A SERIOUS AND SOLID OPERATION. THE WORK FORCE IS MOTIVATED AND ABSENTEEISM IS LESS THAN THE AREA AVERAGE. ACCORDING TO U.S. TECHNICIANS AT THE PLANT AERITALIA SURPASSES MANY U.S. PLANTS IN WORKMANSHIP, UNCLASSIFIED

UNCLASSIFIED

PAGE 03 NAPLES 01614 181625Z

PROCEDURES AND PRODUCT. THE BOEING CONTRACT SHOULD BE POLITICALLY SALUTARY. PRESS COVERAGE IS THUS FAR UNIFORMLY FAVORABLE IN CONTRAST TO EARLIER CRITICISM OF THE PURPORTED DISADVANTAGES IN A LINK-UP WITH BOEING INSTEAD OF WITH THE EUROPEAN AIRBUS. FINALLY, THE

PAGE 04 RUFRSGG6732 UNCLAS NAPLES 1614

BOEING CONTRACT REPRESENTS A SIGNIFICANT IF INDIRECT AMERICAN INVESTMENT IN THE MEZZOGIORNO. IT IS ONE WHICH PROVIDES JOBS, MAKES NEW PLANT CONSTRUCTION POSSIBLE AND EXPRESSES CONFIDENCE IN ITALIAN INDUSTRY BY WORKING THROUGH IT. THIS CONTRACT IS A RAY OF HOPE FOR A DEPRESSED NAPLES, THE FIRST SOLID IF SOLITARY INSTANCE IN SOME TIME OF INDUSTRIAL EXPANSION INSTEAD OF CONTRACTION AND PROMISING NEW EMPLOYMENT LAY-OFFS. AN AUSPICIOUS AUGURY. COLANTONIO.

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONTRACTS, AIRCRAFT SALES, BOEING 747
Control Number: n/a
Copy: SINGLE
Draft Date: 18 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978NAPLES01614
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780338-0585
Format: TEL
From: NAPLES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780849/aaaabokg.tel
Line Count: 110
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6362e360-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1695338
Secure: OPEN
Status: NATIVE
Subject: AERITALIA FLYS WITH BOEING - 767 CONTRACT SIGNED
TAGS: EINV, EAIR, BGEN, EGEN, IT
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/6362e360-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014